

AMENDED IN ASSEMBLY JULY 5, 2005

AMENDED IN ASSEMBLY JUNE 16, 2005

AMENDED IN SENATE MAY 31, 2005

SENATE BILL

No. 377

Introduced by Senator Ortiz

February 17, 2005

An act to amend Sections 12693.33, 12693.45, and 12693.74 of the Insurance Code, and to amend Section 14012 of the Welfare and Institutions Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 377, as amended, Ortiz. Administration.

Existing law establishes the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health services to eligible persons.

Existing law also establishes the Medi-Cal program, administered by the State Department of Health Services, that provides certain benefits to qualified recipients. Under existing law, the board and department are required, to the extent allowed by federal law, to develop a joint Medi-Cal and Healthy Families Program application and enrollment form. Existing law makes a subscriber eligible for the Healthy Families Program for a 12-month period and allows disenrollment after 2 consecutive months of nonpayment of the required contribution. Under existing law, the Medi-Cal program requires annual reaffirmation of eligibility.

This bill would require designated programs including the Child Health and Disability Prevention Program (CHDP), to forward information required for the joint Medi-Cal and Healthy Families Program application and enrollment process, subject to parental

consent. The bill would require *the board and the department to allow a subscriber in the Healthy Families Program and a recipient of services in the Medi-Cal program to provide information to continue their eligibility only if they experienced a change in criteria affecting their eligibility for those programs through a simplified check-off form.* The bill would delete authority to disenroll an applicant for failure to pay the requisite family contribution under the Healthy Families Program ~~and, instead,~~ *except after providing 30 days' written notice, and would require the board to develop a schedule for payment of the delinquent contributions under certain circumstances. The bill would become operative only if funding is provided in the annual Budget Act and federal financial participation is available.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. ~~It is the intent of the Legislature that this act~~
2 *This act shall become operative only if the Legislature provides*
3 *full funding for its operation in the annual Budget Act.*
4 SEC. 2. Section 12693.33 of the Insurance Code is amended
5 to read:
6 12693.33. (a) To the extent feasible and permissible under
7 federal law and with receipt of necessary federal approvals, the
8 State Department of Health Services and the board shall develop
9 a joint Medi-Cal and ~~program~~ *Healthy Families Program*
10 application and enrollment form for children. The department
11 shall seek any federal approval necessary to implement a
12 combined application form. If information not included in this
13 application form is required to determine eligibility for Medi-Cal
14 or the ~~program~~ *Healthy Families Program*, the State Department
15 of Health Services and the board are authorized to obtain that
16 information from the applicant.
17 (b) The Head Start program, state-subsidized child care
18 programs, and the Child Health and Disability Prevention
19 Program (Article 6 (commencing with Section 124025) of
20 Chapter 3 of Part 2 of Division 106 of the Health and Safety
21 Code) shall, only with ~~the consent of the parent, forward all~~
22 ~~information~~ *express notification to, and approval of, the parent*
23 *or guardian, forward to the single point of entry information that*

1 *the program already has on file that relates to the joint*
 2 *application and that is required for the joint Medi-Cal and*
 3 *program Healthy Families Program application process*
 4 *described in subdivision (a), and that information may be used to*
 5 *determine eligibility for those programs. The single point of entry*
 6 *shall conduct an application assessment and determine if*
 7 *additional information is needed to complete the joint*
 8 *application or to determine eligibility for Medi-Cal or the*
 9 *Healthy Families Program.*

10 *(c) The forwarding, acceptance, and storage of information*
 11 *under the provisions of this section shall protect and safeguard*
 12 *the privacy and confidentiality of applicants and of enrollees.*
 13 *Information and documentation about an applicant or enrollee*
 14 *shall not be used, shared, or disclosed except to determine*
 15 *eligibility for Medi-Cal or the Healthy Families Program,*
 16 *including outreach and followup. Disclosure of or access to*
 17 *information concerning applicants or enrollees shall be*
 18 *restricted to persons or agency representatives who are subject*
 19 *to standards of privacy and confidentiality that are no less*
 20 *protective than those required by this subdivision. This*
 21 *subdivision shall apply to all requests for information from*
 22 *outside sources, including, but not limited to, governmental*
 23 *agencies, the courts, or law enforcement officials.*

24 SEC. 3. Section 12693.45 of the Insurance Code is amended
 25 to read:

26 12693.45. ~~After~~ *(a) Except as provided in subdivision (c),*
 27 *after two consecutive months of nonpayment of family*
 28 *contributions by an applicant, the board shall develop a schedule*
 29 *allowing the applicant to pay the delinquent family contributions.*
 30 ~~The board shall adopt regulations setting forth a process for~~
 31 ~~developing these schedules. and after not less than 30 days'~~
 32 *written notice is provided to the applicant, subscribers or*
 33 *purchasing credit members may be disenrolled for an applicant's*
 34 *failure to pay family contributions. The board may impose or*
 35 *contract for collection actions to collect unpaid family*
 36 *contributions.*

37 *(b) Subject to any additional requirements of federal law,*
 38 *disenrollments shall be effective at the end of the second*
 39 *consecutive month of nonpayment.*

1 (c) Prior to disenrollment for failure to pay family
2 contributions for two consecutive months, the board shall notify
3 the family of its delinquent status and provide the family the
4 option to pay the outstanding amount of contributions and
5 remain enrolled in the program if the family returns an
6 acknowledgment of the delinquent status and a signed intention
7 to pay the outstanding amount. The board shall develop a
8 schedule to allow the family to pay the delinquent family
9 contributions. The board shall adopt regulations setting forth a
10 process for developing the notifications and schedules required
11 by this subdivision.

12 SEC. 4. Section 12693.74 of the Insurance Code is amended
13 to read:

14 12693.74. Subscribers shall continue to be eligible for the
15 program for a period of 12 months from the month eligibility is
16 established. ~~The board shall require a subscriber to submit a~~
17 ~~renewal form at the end of this 12-month period only if a change~~
18 ~~has occurred during that period to any information required in~~
19 ~~this chapter to be eligible for the program. The renewal forms~~
20 ~~used by the board shall provide a simplified checkbox and~~
21 ~~signature space for a family to complete, and which shall be~~
22 ~~sufficient to indicate if no change has occurred in the family's~~
23 ~~circumstances since the date of the original application or last~~
24 ~~renewal.~~

25 SEC. 5. Section 14012 of the Welfare and Institutions Code is
26 amended to read:

27 14012. Reaffirmation shall be ~~required by the department~~
28 ~~only if the recipient's circumstances affecting his or her~~
29 ~~eligibility for services under this chapter have changed since the~~
30 ~~date he or she last filed a reaffirmation. filed annually. The~~
31 ~~reaffirmation shall provide a simplified checkbox and signature~~
32 ~~space for a recipient to complete, and which shall be sufficient to~~
33 ~~indicate if no change has occurred in the recipient's~~
34 ~~circumstances since the date he or she last filed a reaffirmation.~~

35 SEC. 6. The provisions of this act shall be implemented only
36 to the extent that federal financial participation is available for
37 the purposes of the act.

O